

C/015/025 Incoming
J. E. STOVER & ASSOCIATES, INC.

2352 NORTH 7th STREET, UNIT B
GRAND JUNCTION, COLORADO 81501
PHONE: (970) 245-4101, FAX 242-7908

#3654
Q

MINE ENGINEERING
MINE RECLAMATION

CIVIL ENGINEERING
CONST. MANAGEMENT

October 6, 2010

Utah Division of Oil, Gas & Mining
Coal Program
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Castle Valley Mining LLC
Application to Transfer Permit
Permit No. C/015/0025

Dear People:

On behalf of Castle Valley Mining LLC, attached is an application for transfer of state mining permit number C/015/0025. Castle Valley Mining LLC purchased the assets C. W. Mining Company through the bankruptcy court, Case No. 08-20105 RKM.

Documents revised for this permit action include:

1. Revised Chapter I, pages 1-ii, 1-iii, 1iv, 1-1, 1-2, 1-5, 1-6, 1-7, 1-8 and 1-13
2. Castle Valley Mining LLC certificate of Insurance.
3. New Appendix H, Ownership and Control.
4. New Appendix I, Right of Entry.

Forms C1, C2 and a proposed public notice are enclosed.

Please call with any questions.

Sincerely,



J. E. Stover, P.E.
Consulting Engineer

File in: *C/0150025 Incoming*
Date: *10/12/2010* Refer to:
☐ Confidential
☒ Shelf
☐ Expandable
For additional information

RECEIVED
OCT 12 2010
DIV. OF OIL, GAS & MINING

APPLICATION FOR COAL PERMIT PROCESSING

Permit Change ☐ New Permit ☐ Renewal ☐ Exploration ☐ Bond Release ☐ Transfer ☒

Permittee: Castle Valley Mining LLC

Mine: Castle Valley Mines

Permit Number:

C/015/0025

Title: Permit Transfer

Description, Include reason for application and timing required to implement:

Castle Valley Mining LLC purchased the mine from the bankruptcy court.

Instructions: If you answer yes to any of the first eight questions, this application may require Public Notice publication.

- ☐ Yes ☒ No 1. Change in the size of the Permit Area? Acres: _____ Disturbed Area: _____ ☐ increase ☐ decrease.
- ☐ Yes ☒ No 2. Is the application submitted as a result of a Division Order? DO# _____
- ☐ Yes ☒ No 3. Does the application include operations outside a previously identified Cumulative Hydrologic Impact Area?
- ☐ Yes ☒ No 4. Does the application include operations in hydrologic basins other than as currently approved?
- ☐ Yes ☒ No 5. Does the application result from cancellation, reduction or increase of insurance or reclamation bond?
- ☒ Yes ☐ No 6. Does the application require or include public notice publication?
- ☒ Yes ☐ No 7. Does the application require or include ownership, control, right-of-entry, or compliance information?
- ☐ Yes ☒ No 8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
- ☐ Yes ☒ No 9. Is the application submitted as a result of a Violation? NOV # _____
- ☐ Yes ☒ No 10. Is the application submitted as a result of other laws or regulations or policies?

Explain: _____

- ☐ Yes ☒ No 11. Does the application affect the surface landowner or change the post mining land use?
- ☐ Yes ☒ No 12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2)
- ☐ Yes ☒ No 13. Does the application require or include collection and reporting of any baseline information?
- ☐ Yes ☒ No 14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
- ☐ Yes ☒ No 15. Does the application require or include soil removal, storage or placement?
- ☐ Yes ☒ No 16. Does the application require or include vegetation monitoring, removal or revegetation activities?
- ☐ Yes ☒ No 17. Does the application require or include construction, modification, or removal of surface facilities?
- ☐ Yes ☒ No 18. Does the application require or include water monitoring, sediment or drainage control measures?
- ☐ Yes ☒ No 19. Does the application require or include certified designs, maps or calculation?
- ☐ Yes ☒ No 20. Does the application require or include subsidence control or monitoring?
- ☐ Yes ☒ No 21. Have reclamation costs for bonding been provided?
- ☐ Yes ☒ No 22. Does the application involve a perennial stream, a stream buffer zone or discharges to a stream?
- ☐ Yes ☒ No 23. Does the application affect permits issued by other agencies or permits issued to other entities?
- ☐ Yes ☒ No 24. Does the application include confidential information and is it clearly marked and separated in the plan?

Please attach three (3) review copies of the application. If the mine is on or adjacent to Forest Service land please submit four (4) copies, thank you. (These numbers include a copy for the Price Field Office)

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein.

Corey Heaps

Vice President

Date

Signature (Right-click above choose certify then have notary sign below)

Subscribed and sworn to before me this 6th day of October, 2010

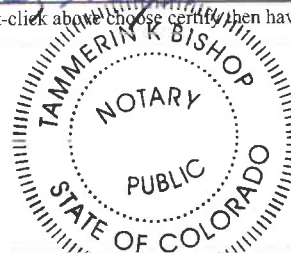
Notary Public: TAMMERIN K. BISHOP, state of Utah

My commission Expires: 1/22/2011

Commission Number: N/A } ss:

Address: 1002 PRITCHARD MESA COURT }

City: GRAND JCT. State: CO Zip: 81505 }



For Office Use Only:

Assigned Tracking
Number:

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OCT 12 2010

DIV. OF OIL, GAS & MINING

Permittee:	Castle Valley Mining LLC	Permit Number:	C/015/0025
Mine:	Castle Valley Mines		
Title:	Permit Transfer		

DESCRIPTION OF MAP, TEXT, OR MATERIAL TO BE CHANGED

[illegible]

Received by Oil, Gas & Mining

DIV. OF OIL, GAS & MINING

NOTICE OF PERMIT TRANSFER

Kenneth A. Rushton, Trustee of the Bankruptcy Estate of C.W. Mining Company, 99 West Main Street, P.O. Box 212, Lehi, Utah 84043, hereby gives notice of his intent to transfer Permit No. C/015/025, originally issued November 1, 1985 and last renewed November 2, 2005 to Castle Valley Mining LLC, 2352 North 7th Street, Unit B, Grand Junction, Colorado 81501. The Bear Canyon Mine is located in Bear Canyon, approximately 12 road miles west of Huntington, Utah. The permit area, found on the USGS Hiawatha Quadrangle map, is described as follows:

- A. T16S, R7E SLBM Sec. 14: S1/2
 Sec. 23: E1/2, E1/2 W1/2
 Sec. 24: W1/2, W1/2 E1/2
 Sec. 25: NW1/4 NW1/4, E1/2 NW1/4, SW1/4 SW1/4,
 E1/2 SW1/4
 Sec. 26: NE1/4 NE1/4, NW1/4 NE1/4, N1/2 SW1/4
 NE1/4 and the access/haul road and topsoil
 storage area as shown on Plate 2-1 of the Bear Canyon
 Mining and Reclamation Plan
- T16S, R8E SLBM Sec. 7: NE1/4, NE1/4
 Sec. 8: NW1/4, W1/4 E1/2, N1/2 SW ¼, SE1/4 SW1/4
 Sec. 16: All
 Sec. 17: All
 Sec. 21: E1/2 NW1/4, NE1/4, N1/2 SE1/4
- B. T16S, R7E SLBM Sec. 1: Lots 1 and 2, S1/2 NE1/4, SE1/4
 Sec. 10: N1/2, N1/2 S1/2, SE1/4 SW1/4, S1/2 SE1/4
 Sec. 11: All
 Sec. 12: All
 Sec. 13: All
 Sec. 14: NE1/4, E1/2 NW1/4
 Sec. 24: E1/2, E1/2,
 Sec. 25: E1/2
- T16S, R8E SLBM Sec. 18: SW1/4, SW1/4
 Sec. 19: S1/2 NW1/4, SW1/4, SW1/4 SE1/4, N1/2SE1/4,
 S1/2 NE1/4
 Sec. 20: S1/2 NW1/4, N1/2 SW1/4
 Sec. 30: W1/2, W1/2 NE1/4, NW1/4 SE1/4
- C. T16S, R7E SLBM Sec. 25: SW1/4 NW1/4, NW1/4 SW1/4
T16S, R8E SLBM Sec. 6: Lots 11-14, E1/2 SW1/4, W1/2 SE1/4, SE1/4 SE1/4

Sec. 7: all except NE1/4 NE1/4
Sec. 8: SW1/4, SW1/4
Sec. 18: N1/2, SE1/4, N1/2 SW1/4, SE1/4 SW1/4

D. T16S, R8E SLBM Sec. 31: NE1/4 NW1/4, NW1/4 NE1/4

E. T6S, R8E SLBM Sec. 19: Lot 1, NE1/4 NW1/4, N1/2 NE1/4
Sec. 20: N1/2 NW1/4, NE1/4, NE1/4, NE1/4
Sec. 21: W1/2 NW1/4, N1/2 SW1/2, SE1/4 SW1/4, S1/2SE1/4

Written comments, objections, or requests for informal conference should be directed to the Utah Division of Oil, Gas & Mining, P. O. Box 145801, Salt Lake City, Utah 84114-5801. Copies of the transfer current mining plan are available for public inspection at the office of the Utah Division of Oil, Gas & Mining, Salt Lake City, and at the Emery County Recorder's Office, Emery County Courthouse, Castle Dale, Utah 84513.